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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA, FRESNO DIVISION

In re:

J & D WILSON AND SONS
 DAIRY,

Debtor-in-Possession.

Case No. 14-10588-B-11
 Chapter 11
 DC No. UST-1

Date: September 11, 2014
 Time: 9:00 a.m.
 Place: United States Bankruptcy Court
 Department B, Courtroom
 2500 Tulare Street, Fifth Floor
 Fresno, California
 Judge: Honorable W. Richard Lee

**DECLARATION OF JACOB EATON IN OPPOSITION TO UNITED STATES
 TRUSTEE'S MOTION TO DISMISS CASE PURSUANT TO 11 U.S.C. § 1112(b)**

I JACOB L. EATON, declare:

1. I am an attorney at law admitted to practice before all the courts of the State of California and before this court. I am a partner with the Klein, DeNatale, Goldner, Cooper, Rosenlieb & Kimball, LLP, law firm and maintain law offices at 4550 California Avenue, Bakersfield, California 93309. Klein, DeNatale is the attorneys for J&D Wilson and Sons Dairy, Debtor ("Debtor").

2. Debtor filed a voluntary petition under Chapter 11 on February 7, 2014. As of the date of the filing of this opposition, Debtor has not filed a disclosure statement or plan of reorganization.

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1 3. Debtor's case is complicated with multiple constituencies that need to be
2 negotiated with, including (a) Wells Fargo Bank as operating lender, (b) Farm Credit West as
3 mortgage lender, (c) C.A. Vanderham & Sons Dairy ("CA Vanderham") as landlord and large
4 unsecured creditor, (d) John Deere as a secured equipment lender and lessor, and (e) general
5 unsecured creditors including Western Milling which holds a large unsecured claim that is
6 secured by a deed of trust against real property owned by CA Vanderham, which may give rise
7 to an indemnity claim if CA Vanderham's property is used to pay Western Millings claim. The
8 interplay between these constituencies, possible partial change of ownership of Debtor,
9 unwinding of related party connections, and consideration of tax impacts of changes add to the
10 complexity of the case. Furthermore, Debtor will seek to restructure more than \$26 Million in
11 debt through the plan.

12 4. Debtor has been working productively and in good faith with creditors including
13 Wells Fargo Bank, Farm Credit West, and CA Vanderham to produce a plan that is both
14 feasible and in the best interests of Debtor and creditors. While these negotiations have not yet
15 produced plan that has been filed, Debtor and these creditors have made substantial progress
16 toward the agreement on a consensual plan. Debtor and Wells Fargo Bank have reached an
17 agreement in concept regarding the terms of a plan except for one covenant. Debtor and Farm
18 Credit West have reached an agreement in concept regarding the terms of a plan except for one
19 point.

20 5. Debtor will file a disclosure statement and plan on or before September 3, 2014,
21 whether or not a final agreement with all of Debtor's creditors is reached.

22 6. I declare under penalty of perjury that the foregoing is true and correct and I
23 have personal knowledge of the statements contained herein

24 This declaration was executed on this ^{26TH} day of August at Bakersfield, California.

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26 
27 Jacob L. Eaton
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